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Istook Says \$53-Mill to Promote \$20 Bill Wasteful

Washington, D.C. – Congressman Ernest Istook (R-OK) says it's a waste of taxpayers' money to spend \$53-million advertising the new \$20 bill, and he intends corrective action with the U.S. Bureau of Engraving and Printing.

“We already had a wave of publicity announcing the new \$20 bill, with front-page articles and photos around the country, and on news broadcasts,” said Istook. “Generating publicity may cost something, but not \$53-million just to remind people that these are the real thing, and not counterfeit. Word about the new bills spreads fast, because people handle them everyday. The new \$20's will quickly become well-known, and the old ones will be phased-out by banks and by the Federal Reserve system. Start-up publicity is one thing; a five-year ad campaign is quite another. We don't run ads reminding people what a genuine \$1 bill looks like, and we don't need to go overboard advertising the new bills, either.”

Last week, Federal Reserve began circulating a new \$20 bill featuring a colored background, a new watermark and new security thread. New designs for the \$50 and \$100 notes are scheduled for introduction in 2004 and 2005. The Bureau of Engraving and Printing has launched a 5-year \$53-million “public awareness” campaign to educate the public, businesses, and financial institutions about the new bills and to speed their acceptance into circulation. Some of the money is for educational materials for banks and merchants, but more than half--\$28-million—is to purchase advertising.

“This is not like advertising to persuade people to buy your brand of soap; everybody in America will be using the new \$20. Are we afraid that, unless we advertise, Americans might switch brands to euro's or pesos?” said Istook.

Bureau of Engraving and Printing does not operate on direct Congressional appropriations, but rather operates from a revolving fund derived from reimbursements for the costs of manufacturing products and services performed. All excess funds are supposed to be returned to the Treasury's general fund. Istook is the chairman of the U.S. House Appropriations Subcommittee on Transportation and Treasury which oversees the Bureau of Engraving and Printing. Istook indicated that although the funds are not direct appropriations, he regards the funds as taxpayer dollars and intends to include language in this year's appropriation bill to address the issue.

“The Bureau of Engraving and Printing operates on an independent budget, and they're supposed to send their unspent money to the Treasury's general fund,” said Istook. **“Every dollar wasted on this ad campaign is a dollar that does not go to the Treasury, and doesn't help us reduce the deficit. Maybe introducing the new currency isn't free, but it shouldn't cost \$53-million.”**